Rating Action: **Moody's affirms Jeld-Wen's B1 CFR following proposed $480 million add-on; outlook is stable**

Global Credit Research - 15 Jun 2015

Approximately $1,253 million of rated debt securities affected

New York, June 15, 2015 -- Moody's Investors Service affirmed JELD-WEN, inc.'s ("JELD-WEN") Corporate Family Rating at B1, Probability of Default Rating at B1-PD, and the rating on the company's $1,253 million term loan that includes a proposed $480 million add-on at B1. The outlook is stable.

Most of the proceeds from the $480 million add-on term loan - $419 million - will fund a distribution to the company's shareholders including its majority owner Onex Corporation. JELD-WEN plans to utilize the remaining proceeds to fund planned near-term bolt-on acquisitions and pay expenses associated with this transaction. If the company fails to consummate the acquisitions then the proceeds will be available to fund an additional distribution to shareholders.

Moody's took the following rating actions on JELD-WEN, inc.:

Corporate Family Rating, affirmed at B1;

Probability of Default Rating, affirmed at B1-PD;

$1,253 million term loan (includes proposed $480 million add-on), affirmed at B1 (LGD-4);

Outlook remains Stable.

RATINGS RATIONALE

Moody's affirmed the B1 Corporate Family Rating based on an expectation that JELD-WEN's credit metrics will remain in line with levels consistent with the B1 rating category over the next 12-18 months given the company's operating profile, despite the significant increase in debt leverage. Volume and price improvements, along with higher productivity, are anticipated to strengthen the company's credit metrics better within the B1 rating category. The pro forma adjusted debt to EBITDA is expected to be 4.6x versus a level below 4x previously expected for June 27, 2015 absent the transaction, and Moody's projects adjusted debt-to-EBITDA will decline below 4.5x by the end of 2015. Further, the B1 Corporate Family Rating reflects JELD-WEN's strong worldwide market position in doors and windows and favorable end market conditions in residential construction and remodeling. The ratings are also supported by the company's size with $3.5 billion of revenues (LTM 3/28/15). The company continues to be a leading vertically integrated door producer and Moody's anticipates the company to expand its market share via acquisitions, especially in Europe and Australia. The rating also considers the company's new management team and short-term strategy that includes pricing leadership, cost reductions and productivity initiatives to increase the EBITDA margin to 10% from approximately 8.7% currently.

At the same time, the B1 Corporate Family Rating is constrained by an aggressive financial policy and event risks associated with private equity majority ownership, as evidenced by the higher debt leverage and weaker interest coverage resulting from the proposed debt-funded shareholder distribution. Exposure to cyclical end markets, volatile raw material costs, potential operational inefficiencies resulting from high demand for the company's products, and expenses associated with the new cost savings initiatives also create credit risk. Furthermore, the company's acquisition based growth strategy that is largely being financed through debt poses a concern to the extent the expected synergies don't materialize.

The stable rating outlook is based on Moody's expectations for an increase in demand in the company's global repair and remodeling and new home construction end markets. This should help the company to pass through price increases and, along with operational efficiency initiatives grow earnings and reduce leverage over the next 12-18 months.

The ratings could be upgraded if the company adopts more conservative financial policies and improves credit metrics such that adjusted debt leverage is sustained below 3.0x and EBITA interest coverage is sustained above 5.0x.

The ratings may be downgraded if the company's liquidity weakens, adjusted EBITA-to-interest expense falls below 2x or adjusted debt to EBITDA is sustained above 5x.

The principal methodology used in these ratings was Global Manufacturing Companies published in July 2014. Other methodologies used include Loss Given Default for Speculative-Grade Non-Financial Companies in the U.S., Canada and EMEA published in June 2009. Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

JELD-WEN, inc., with corporate offices in Charlotte, North Carolina, is a vertically integrated manufacturer of doors and windows that are marketed primarily under the JELD-WEN brand names in the U.S. and Canada and under a variety of names in Europe, Australia, and Asia. Revenue for the 12 months ended March 28, 2015 totaled approximately $3.5 billion.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this rating action, and whose ratings may change as a result of this rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

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Related Issuers

JELD-WEN, inc.

Related Research

Credit Opinion: JELD-WEN, inc.

Rating Action: Moody's upgrades JELD-WEN's CFR to B1; rates proposed term loan B1

Rating Action: Moody's raises JELD-WEN's CFR to B2; outlook stable

Covenant Quality Assessment: JELD-WEN, inc. - Pre-Sale Snapshot - $450m _% Senior Secured Notes due 2017

Rating Action: Moody's assigns B3 rating to JELD-WEN's proposed senior secured notes; affirms B3 CFR

Exhibit 14

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